

CITY OF LAS VEGAS

BUDGET POLICIES

I. BUDGETS

- A. Budgets will be developed based on historical cost trending, adjusted for specific needs where appropriate.
- B. Appropriations for ongoing expenditures will not exceed ongoing revenues.
- C. Budgets will reflect a 2% vacancy factor on personnel costs.
- D. Budget evaluations will consider current and ensuing year impact.
- E. New programs to be funded (1) from fees, (2) from efficiencies, (3) from general revenues.
- F. Privatization will be considered in providing for expanded or new programs.
- G. Program costing will be followed: central service costs will be recovered from outside sources.
- H. Reasonable training and travel will be funded.
- I. Opportunities will be sought to improve performance through technology.
- J. Capital outlays, which reduce operating costs, will be prioritized.

II. POSITIONS AND PERSONNEL

- A. Vacant positions shall be evaluated and re-justified.
- B. All positions will be funded at 98% to account for vacancies.
- C. Savings from vacancies will be used to fund one-time costs or replenish fund balance.
- D. Funds will be expended to train and equip the City's workforce.
- E. Continuous process improvements will be pursued to improve quality and seek efficiencies.
- F. Reasonable and customary technical/professional memberships will be funded.

III. CAPITAL

- A. Interest earnings from selected funds shall be dedicated to one time capital needs.
- B. Bonds will only be considered for capital needs where (a) there is a valid 5-year capital improvement plan and (b) it is determined that the City can absorb the operating costs of the new facility in its operating budget.
- C. Major capital acquisitions will be identified and listed in the CIP for the next five years, and will project annual operating costs to be funded from General Fund in future years.
- D. Capital additions shall identify the added net cost of operations.
- E. Capital request shall be measured and evaluated by their cost benefit.

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IV. REVENUES

- A. Barring extraordinary events, the City shall self impose a property tax limit based on the FY 1999 variance between the actual tax levied and the maximum allowed levy; that is, the City will not raise taxes beyond a self imposed limit that is 11.2 cents per \$100 below the State imposed limit.
- B. Revenue Projections will be based on conservative growth estimations.
- C. One-time revenues will only be used for one-time expenses.
- D. Fees and charges will be increased, where appropriate, to reflect increased cost in operations, including inflation and increased mandates.
- E. Revenues will be optimally sought as provided by law.
- F. Growth related revenues will be used to defray the costs of growth.
- G. Public/public or public/private partnerships will be sought to enhance funding.
- H. Fees will be generically and consistently applied and collected.


V. FUND BALANCE AND RESERVES

- A. The General Fund ending fund balance should equal at least 12 percent of operating revenues.
(Temporarily suspended. Ending fund balance at 10 percent of operating revenues.)
- B. Statutory balances shall be maintained in self-insurance funds.
- C. Sufficient amounts of replacement reserves shall be maintained in capital replacement funds.
- D. Sick and Annual Leave will be funded to cover current year plus out year.
- E. Maintain a Fiscal Stabilization Fund of not more than 10% of the prior year's General Fund expenditures. Forward funding is based on 20% of General Fund excess actual ending fund balance over budgeted ending fund balance, until maximum level is reached.

Reaffirmed by City Council at the May 19, 2009 Budget Hearing.

Attest:


City Clerk


Mayor